(c) The enforcement setup in the Central Bureau of Narcotics has been reorganised and strengthened. Different Drug Law Enforcement Agencies keep strict vigil over poppy cultivation and stringent, panal measures are taken under the NDPS Act, 1985 for any violation.

FICCI observations regarding Budget

1643. SHRI IQBAL SINGH:
SHRI SURESH PACHOURI:

Will the Minister of FINANCE be pleased to state:

(a) whether FICCI has submitted a detailed report to Government listing the anoumalies which have crept into the Budget making it cheaper to import the finished products instead of manufacturing them in the country; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) in their letter dated 19-4-93, FICCI has enclosed a note on the Finance Bill, 1993. The note brings out certain anomalies as perceived by the Federation, in the customs and excise duty structure, as a result of which the rate of duty on the final product is less than on inputs and raw materials. The list of industries covered in the note include Auto Components, Electronic Componets, Tyrcs, etc.

Improving Customer Services in Banks

1644. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FINANCE be pleased to state:

(a) what are the recommendations of the R.B.I. Customer Service Committee;

(b) whether it is a fact that All India Bank Depositors Association has requested Government for the implementaion of the recommendations; and

(c) what steps are proposed to be taken to make the banks customer oriented from the present staff oriented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) Reserve Bank of India (RBI) constituted a Committee in September, 1990 under the Chairmanship of Shri M. N. Goiporia, the then Chairman, State Bank of India to study the current state of customer service in banks and to suggest measures to improve performance in this area. The Committee comprised of, among others, the President of All India Bank Depositors Association, Bombay.

The Committee had made wide ranging recommendations (97 in number) covering — (I) improvement of customer service by enlarging the scope of teller services, extending banking hours for non-cash transactions, devising appropriate procedures to render uninterrupted service during business hours, extending facilities for exchange of mutilated and soiled notes, ensuring nomination in all accounts; (II) opening of specialised branches focusing on international banking, industrial finance, small scale industries; (III) making bank employees more responsive and customer friendly by job enrichment, proper training, reward system and more constructive role by employees organisations; (IV) technology upgradation and continuous review of system and procedures in tune with the changing needs if customers; by (V) making bank deposits more attractive by increasing savings bank interest

rates, permitting tax benefits on deposits etc., and (VI) compensating customers for delay in collection of cheques, payment by mail transfer, telegraphic transfer, etc.

RBI have already issued necessary instructions for implementaion of the recommendations so far accepted. It is felt that the customer service will improve further in the public sector banks with the implementation of these recommendations.

Recognition to the National Stock Exchange

1645. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Govt. have granted recognition to the National Stock Exchange of India;

(b) if so, the period for which the recognition has been granted; and

(c) what are the details of the working of the National Stock Exchange?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Yes Sir, the Central Government has granted recognition to the National Stock Exchange of India Limited under Section 4 of the Securities Contracts (Regulation) Act, 1956, for a period of five years commencing on 26th April; 1993 and and ending with the 25th April; 1998

(c) This Stock Exchange is expected to operate as a 'Model' Stock Exchange with the following main features:

(i) There will be no upper limit on trading membership.

(ii) Persons located anywhere in India will be eligible to apply for trading membership.

(iii) It would have two trading segments, one dealing with whole sale debt instruments and the other with capital market instruments.

(iv) The trading system would be automated and screen based.

(v) There will be no trading floor.

Safety net proposal mooted by SEBI

1646. SHRI ANANT RAM JAISWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that UTI is in the practice of negotiatng with companies, whose public offer of share are unedr-subscribed, to purchase their equity shares below price which offered to the public|investors;

(b) whether it is also a fact that UTI did so in the matter of 1992 public issue of Nagarjuna Fertilisers and Chemicals Ltd. invested over 50 crores in this company;

(c) whether it is also a fact that in order to prevent this kind of malpractice and to safeguard the interest of ordinary investors, Securities and Exchange Board of India (SEBI) mooted a proposal of Safety-net;

(d) if so, what are the details thereof and what is the reaction of Government to the same; and

(e) by when will the above said proposal be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):

(a) No, Sir. Unit Trust of India (UTI) does not negotiate with issuing companies for purchase of equity shares. UTI makes investment in public|rights issues of companies at market price and on negotiated offers from lead managers/intermediaries or merchant bankers managing the issue only when they approach UTI.